

1 HOUSE BILL NO. 18

2 INTRODUCED BY B. STORY

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY
6 GENERALLY REVISING AND CLARIFYING THE LAWS RELATING TO REVENUE COLLECTION AND
7 ALLOCATION FOR STATE GOVERNMENT AND LOCAL GOVERNMENTS; PROVIDING THAT THE TITLING
8 FEE FOR MANUFACTURED HOMES BE DEPOSITED IN THE STATE GENERAL FUND; CLARIFYING THE
9 ENTITLEMENT SHARE OF LOCAL GOVERNMENTS; PROVIDING A PENALTY AND INTEREST FEE FOR
10 LATE PAYMENT OF LIVESTOCK PER CAPITA FEES; ~~REQUIRING~~ ALLOWING A NEGOTIATED FEE FOR
11 COLLECTION OF LIVESTOCK PER CAPITA FEES; ELIMINATING THE ALLOCATION OF COAL SEVERANCE
12 TAXES FOR COUNTY LAND PLANNING; PROVIDING FOR DEPOSIT OF GAMING LAW VIOLATION
13 PENALTIES IN THE STATE GENERAL FUND; ELIMINATING THE STATUTORY APPROPRIATION OF
14 GAMING VIOLATION PENALTIES; CLARIFYING THE COLLECTION AND ALLOCATION OF FEES BY THE
15 CLERK OF THE DISTRICT COURT; PROVIDING THAT THE MARRIAGE LICENSE RECORDING FEE BE
16 DEPOSITED IN THE STATE GENERAL FUND; ELIMINATING THE COUNTY ADMINISTRATIVE FEE FOR
17 PUBLIC ASSISTANCE PROGRAMS; PROVIDING FOR THE DEPOSIT OF THE PENALTY FEE FOR FAILURE
18 TO APPLY FOR A TRANSFER OF INTEREST IN A MOTOR VEHICLE IN THE STATE GENERAL FUND;
19 PROVIDING THAT TRAILERS AND SEMITRAILERS REGISTERED THROUGH A PROPORTIONAL
20 REGISTRATION AGREEMENT ARE NOT SUBJECT TO THE NORMAL REGISTRATION FEE; PROVIDING
21 FOR THE DEPOSIT OF LATE MOTOR VEHICLE TRANSFER PENALTIES IN THE STATE GENERAL FUND;
22 CLARIFYING THE USE AND DISTRIBUTION OF THE LOCAL OPTION VEHICLE TAX OR FEE; PROVIDING
23 THAT SINGLE MOVEMENT PERMIT FEES FOR VEHICLES BE DEPOSITED IN THE GENERAL FUND;
24 CLARIFYING THE DISPOSITION OF FINES AND FORFEITURES FOR HIGHWAY OFFENSES; PROVIDING
25 THAT UNIFORM PROVISIONS ON PENALTY AND INTEREST APPLY TO LATE HAIL FEE PAYMENTS;
26 ELIMINATING THE TERMINATION DATE FOR THE SPLIT OF THE LOCAL OPTION VEHICLE TAX
27 BETWEEN THE CITIES AND COUNTIES; PROVIDING AN APPROPRIATION FOR REIMBURSING THE CITY
28 OF BOZEMAN FOR ACCRUED GAMING REVENUE; CORRECTING THE COUNTYWIDE SCHOOL
29 RETIREMENT AND TRANSPORTATION BLOCK GRANTS; AMENDING SECTIONS ~~3-2-714~~, 15-1-111,
30 15-1-112, 15-1-116, 15-1-121, 15-24-921, 15-24-925, 15-35-108, 15-65-121, 17-7-502, 23-5-123, 23-5-136,

25-1-201, 46-23-1031, 50-15-301, 53-2-207, 61-3-201, 61-3-317, 61-3-321, 61-3-537, 61-3-562, 61-4-310, 61-10-148, 61-12-701, AND 80-2-230, MCA, AND SECTIONS 244, 245, 246, 248, 249, 250, AND 257, CHAPTER 574, LAWS OF 2001; REPEALING SECTIONS 61-4-311 AND 90-1-108, MCA, AND SECTION 4, CHAPTER 749, LAWS OF 1991, SECTION 1, CHAPTER 217, LAWS OF 1993, AND SECTIONS 2 AND 3, CHAPTER 217, LAWS OF 1995; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND RETROACTIVE APPLICABILITY DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

~~Section 1. Section 3-2-714, MCA, is amended to read:~~

~~"3-2-714. Civil legal assistance for indigent victims of domestic violence account. (1) There is a civil legal assistance for indigent victims of domestic violence account in the state special revenue fund. There must be paid into this account the filing fees paid under 25-1-201(3)(a) and (6) (5). The money in the account must be used solely for the purpose of providing legal representation for indigent victims in civil matters in domestic violence cases and for alternative dispute resolution initiatives in family law cases. Money in the account may not be used for class action lawsuits.~~

~~(2) The supreme court administrator shall establish procedures for the distribution and accountability of money in the account. The supreme court administrator may designate nonprofit organizations that ordinarily render or finance legal services to indigent persons in civil matters in domestic violence cases to receive or administer the distribution of the funds."~~

Section 1. Section 15-1-111, MCA, is amended to read:

"15-1-111. (Temporary) Reimbursement to local governments and schools -- duties of department and county treasurer -- statutory appropriation. (1) Prior to September 1, 1990, the department's agent in the county shall supply the following information to the department for each taxing jurisdiction within the county:

(a) the number of mills levied in the jurisdiction for tax year 1989;

(b) the number of mills levied in the jurisdiction for tax year 1990;

(c) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property not secured by real property; and

(d) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all

1 personal property secured by real property.

2 (2) After receipt of the information from its agent, the department shall calculate the amount of revenue
3 lost to each taxing jurisdiction, using current year mill levies, due to the annual reduction in personal property
4 tax rates set forth in 15-6-138, prior to 1994, and any reduction in taxes based upon recalculation of the effective
5 tax rate for property in 15-6-145, prior to 1994. The department shall total the amounts for all taxing jurisdictions
6 within the county.

7 (3) (a) The department shall remit to the county treasurer 50% of the amount of revenue reimbursable,
8 determined pursuant to subsection (1), on or before November 30 and the remaining 50% on or before May 31.

9 (b) For tax year 1993 through tax year 1998, the department shall remit to the county treasurer of each
10 county the same amount remitted to the county treasurer for the fiscal year 1991, as adjusted by the result of
11 dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must
12 be remitted on or before November 30 and the remaining 50% on or before May 31.

13 (c) (i) For tax year 1999 through tax year 2008, the department shall remit to the county treasurer of
14 each county the same amount remitted to the county treasurer for the fiscal year 1991, progressively reduced
15 by 10% of the 1991 amount each year, in accordance with the following schedule:

16	Tax Year	Percentage of 1991
17		Remittance Amount
18	1999	90
19	2000	80
20	2001	70
21	2002	60
22	2003	50
23	2004	40
24	2005	30
25	2006	20
26	2007	10
27	2008 and following years	0

28 (ii) The amount remitted must be adjusted by the result of dissolved or combined taxing jurisdictions,
29 as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and
30 the remaining 50% on or before May 31.

(4) Upon receipt of the reimbursement from the department, the county treasurer shall distribute the reimbursement to each taxing jurisdiction as calculated by the department.

(5) (a) For the purposes of this section and subject to subsection (7), "taxing jurisdiction" means a jurisdiction levying mills against personal property and includes but is not limited to a county, city, school district, tax increment financing district, and miscellaneous taxing district ~~and the state of Montana.~~

(b) The term does not include county or state school equalization levies provided for in 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439.

(6) The amounts necessary for the administration of this section are statutorily appropriated, as provided in 17-7-502, from the general fund to reimburse eligible taxing jurisdictions for reductions in tax rates on personal property.

(7) The following apply to taxing jurisdictions that were altered after tax year 1989:

(a) A taxing jurisdiction that existed in tax year 1989 and that no longer exists is not entitled to reimbursement under this section.

(b) A taxing jurisdiction that existed in tax year 1989 and that is split into two or more taxing jurisdictions or that is annexed to or is consolidated with another taxing jurisdiction is entitled to reimbursement based on the portion of 1989 taxable value within each new taxing jurisdiction. The department shall determine the portion of 1989 taxable value located in each taxing jurisdiction.

(c) A taxing jurisdiction that did not exist in tax year 1989 is not entitled to reimbursement under this section unless the jurisdiction was created as described in subsection (7)(b). (Repealed effective July 1, 2008--secs. 66(2), 68(2), Ch. 422, L. 1997.)"

Section 2. Section 15-1-112, MCA, is amended to read:

"15-1-112. Business equipment tax rate reduction reimbursement to local government taxing jurisdictions. (1) On or before January 1, 1996, for the reduction in payment under subsection (4) and by June 1 of 1996, 1997, and 1998 for all other reimbursements in this section, the department ~~of revenue~~ shall determine a reimbursement amount associated with reducing the tax rate in 15-6-138 and provide that information to each county treasurer. The reimbursement amount must be determined for each local government taxing jurisdiction that levied mills on the taxable value of property described in 15-6-138 in the corresponding tax year. However, the reimbursement does not apply to property described in 15-6-138 that has a reduced tax rate under 15-24-1402.

(2) (a) The reimbursement amount to be used as the basis for the payment reduction under subsection (4) is the product of multiplying the tax year 1995 taxable value of property described in 15-6-138 for each local government taxing jurisdiction by the tax year 1995 mill levy for the jurisdiction and then multiplying by 1/9th.

(b) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1996 is the amount determined under subsection (2)(a) unless the tax year 1996 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1996 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1996 is the result of subtracting the simulated 1996 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1996 tax for the particular jurisdiction is the actual tax year 1996 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1996 tax is greater than the 1995 tax, the reimbursement amount is zero.

(c) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1997 is the amount determined under subsection (2)(a) multiplied by two unless the tax year 1997 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1997 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1997 is the result of subtracting the simulated 1997 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1997 tax for the particular jurisdiction is the actual tax year 1997 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1997 tax is greater than the 1995 tax, the reimbursement amount is zero.

(d) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1998 is the amount determined under subsection (2)(a) multiplied by three unless the tax year 1998 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1998 market value is greater than the tax year 1995 market value for a particular

jurisdiction, then the reimbursement amount for tax year 1998 is the result of subtracting the simulated 1998 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1998 tax for the particular jurisdiction is the actual tax year 1998 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1998 tax is greater than the 1995 tax, the reimbursement amount is zero.

(3) (a) For purposes of this section, "local government taxing jurisdiction" means a local government rather than a state taxing jurisdiction that levied mills against property described in 15-6-138, including county governments, incorporated city and town governments, consolidated county and city governments, tax increment financing districts, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation.

(b) The term does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, ~~and 20-9-360,~~ and 20-25-439.

(c) Each tax increment financing district must receive the benefit of the state mill on the incremental taxable value of the district.

(4) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1996 by an amount equal to 38% of the reimbursement amount determined under subsection (2)(a) for all of the local government taxing jurisdictions in the county.

(5) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1996 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(6) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(7) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(8) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(9) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(10) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1999 by an amount equal to 69% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(11) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of the years 1999 through 2007 by an amount equal to 31% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(12) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of the years 2000 through 2008 by an amount equal to 69% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(13) (a) The reimbursement amount for tax year 1999 and each subsequent tax year for 9 years must be progressively reduced each year by 10% of the reimbursement amount for tax year 1998, according to the following schedule:

Tax Year	Percentage of 1998 Reimbursement Amount
1999	90
2000	80
2001	70
2002	60
2003	50
2004	40

1	2005	30
2	2006	20
3	2007	10
4	2008 and following years	0

5 (b) The reimbursement amount for each tax year must be the basis for reducing the amount remitted
6 to the state for the levy imposed under 20-9-360 in December of the same year and June of the following year.

7 (14) The county treasurer shall use the funds from the reduced payment to the state for the levy imposed
8 under 20-9-360 to reimburse each local government taxing jurisdiction in the amount determined by the
9 department under subsection (2). The reimbursement must be distributed to funds within local government
10 taxing jurisdictions in the same manner as taxes on property described in 15-6-138 are distributed. The
11 reimbursement in June must be distributed based on the prior year's mill levy, and the reimbursement in
12 December must be based on the current year's mill levy.

13 (15) Each local government taxing jurisdiction receiving reimbursements shall consider the amount of
14 reimbursement that will be received and lower the mill levy otherwise necessary to fund the budget by the
15 amount that would otherwise have to be raised by the mill levy.

16 (16) A local government taxing jurisdiction that ceases to exist after October 1, 1995, will no longer be
17 considered for revenue loss or reimbursement purposes. A local government taxing jurisdiction that is created
18 after January 1, 1996, will not be considered for revenue loss or reimbursement purposes. If a local government
19 taxing jurisdiction that existed prior to January of 1996 is split between two or more taxing jurisdictions or is
20 annexed to or is consolidated with another taxing jurisdiction, the department shall determine how much of the
21 revenue loss and reimbursement is attributed to the new jurisdictions."

22

23 **Section 3.** Section 15-1-116, MCA, is amended to read:

24 **"15-1-116. Manufactured home considered as improvement to real property -- requirements. (1)**

25 A manufactured home will be considered for tax purposes an improvement to real property if:

26 (a) the running gear is removed; and

27 (b) the manufactured home is attached to a permanent foundation on land that is owned or being
28 purchased by the owner of the manufactured home or, if the land is owned by another person, with the
29 permission of the landowner.

30 (2) To eliminate the certificate of ownership of a manufactured home, an owner may file a statement

1 of intent on a form furnished by the department of justice.

2 (3) The statement of intent must include:

3 (a) the serial number of the manufactured home;

4 (b) the legal description of the real property to which the manufactured home has been permanently
5 attached;

6 (c) a description of any security interests in the manufactured home; and

7 (d) approval from all lienholders of the intent to eliminate the title.

8 (4) The owner shall present the statement of intent to the county treasurer of the county in which the
9 manufactured home is located and shall surrender the certificate of ownership. Upon receipt of a titling fee of
10 \$5, the county treasurer shall issue the owner a duplicate receipt for the surrendered certificate and forward a
11 copy of the statement of intent, the original receipt, and the surrendered certificate to the department of justice.
12 The county treasurer may not issue the receipt unless all taxes, interest, and penalties on the manufactured
13 home have been paid in full. The county treasurer shall:

14 ~~—— (a) deposit \$1.50 of the titling fee in the county general fund; and~~

15 ~~—— (b) remit \$3.50 of the titling fee to the department for deposit in the state general fund.~~

16 (5) Upon the recording of the statement of intent and the receipt of surrender, the manufactured home
17 may not be physically removed without the consent of all persons who have an interest in the manufactured
18 home.

19 (6) A manufactured home that has been declared an improvement to real property in accordance with
20 this section must be treated by the department and by lending institutions in the same manner as any other
21 residence that is classified as an improvement."

22
23 **Section 4.** Section 15-1-121, MCA, is amended to read:

24 **"15-1-121. Entitlement share payment -- appropriation.** (1) The amount calculated pursuant to this
25 subsection is each local government's base entitlement share. The department shall estimate the total amount
26 of revenue that each local government received from the following sources for the fiscal year ending June 30,
27 2001:

28 (a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter
29 584, Laws of 1999;

30 (b) vehicle and boat taxes and fees pursuant to:

- 1 (i) Title 23, chapter 2, part 5;
2 (ii) Title 23, chapter 2, part 6;
3 (iii) Title 23, chapter 2, part 8;
4 (iv) 61-3-317;
5 ~~(iv)~~(v) 61-3-321;
6 ~~(v)~~(vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment
7 of 61-3-509 in 2001, ~~and 61-3-537; and~~
8 ~~(vi)~~(vii) Title 61, chapter 3, part 7;
9 (viii) 5% of the fees collected under 61-10-122;
10 (ix) 61-10-130;
11 (x) 61-10-148; and
12 (xi) 67-3-205;
13 (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);
14 (d) district court fees pursuant to:
15 (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);
16 (ii) 25-1-202;
17 (iii) 25-1-1103;
18 (iv) 25-9-506;
19 (v) 25-9-804; and
20 (vi) 27-9-103;
21 (e) certificate of ownership fees for manufactured homes pursuant to 15-1-116;
22 (f) financial institution taxes pursuant to Title 15, chapter 31, part 7;
23 (g) coal severance taxes allocated for county land planning pursuant to 15-35-108;
24 (h) all beer, liquor, and wine taxes pursuant to:
25 (i) 16-1-404;
26 (ii) 16-1-406; and
27 (iii) 16-1-411;
28 (i) late filing fees pursuant to 61-3-201;
29 (j) title and registration fees pursuant to 61-3-203;
30 (k) disabled veterans' flat license plate fees and purple heart license plate fees pursuant to 61-3-332;

(l) county personalized license plate fees pursuant to 61-3-406;
(m) special mobile equipment fees pursuant to 61-3-431;
(n) single movement permit fees pursuant to 61-4-310;
(o) state aeronautics fees pursuant to 67-3-101; and
(p) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.

(2) (a) From the amounts estimated in subsection (1) for each county government, the department shall deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by the state in fiscal year 2002.

(b) The amount estimated pursuant to subsections (1) and (2)(a) is each local government's base year component. The sum of all local governments' base year components is the base year entitlement share pool. For the purpose of calculating the sum of all local governments' base year components, the base year component for a local government may not be less than zero.

(3) (a) Beginning with fiscal year 2002 and in each succeeding fiscal year, the base year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. For ~~fiscal years year~~ 2002 ~~and 2003~~, the growth rate is 3%. For fiscal year 2003, the growth rate is 3% for incorporated cities and towns, 1.61% for counties, and 2.3% for consolidated local governments. Beginning with calendar year 2004, by October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the following manner:

(i) Before calculating APPLYING the growth rate for fiscal year 2004 TO DETERMINE THE FISCAL YEAR 2004 ENTITLEMENT SHARE POOL, the department shall add TO THE FISCAL YEAR 2003 ENTITLEMENT SHARE POOL the fiscal year 2003 amount of revenue actually distributed to the county from the 25-cent marriage license fee in 50-15-301 and the probation and parole fee in 46-23-1031(2)(B).

~~(i)~~(ii) The department shall calculate the average annual growth rate of the Montana gross state product, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in

1 subsection ~~(3)(a)(i)(A)~~ (3)(a)(ii)(A).

2 ~~(ii)(iii)~~ The department shall calculate the average annual growth rate of Montana personal income, as
3 published by the bureau of economic analysis of the United States department of commerce, for the following
4 periods:

5 (A) the last 4 calendar years for which the information has been published; and

6 (B) the 4 calendar years beginning with the year before the first year in the period referred to in
7 subsection ~~(3)(a)(ii)(A)~~ (3)(a)(iii)(A).

8 (b) (i) For fiscal year 2004 and subsequent fiscal years, the entitlement share pool growth rate for the
9 first year of the biennium must be the following percentage of the average of the growth rates calculated in
10 subsections ~~(3)(a)(i)(B)~~ (3)(a)(ii)(B) and ~~(3)(a)(ii)(B)~~ (3)(a)(iii)(B):

11 (A) for counties, 54%;

12 (B) for consolidated local governments, 62%; and

13 (C) for incorporated cities and towns, 70%.

14 (ii) The entitlement share pool growth rate for the second year of the biennium must be the following
15 percentage of the average of the growth rates calculated in subsections ~~(3)(a)(i)(A)~~ (3)(a)(ii)(A) and ~~(3)(a)(ii)(A)~~
16 (3)(a)(iii)(A):

17 (A) for counties, 54%;

18 (B) for consolidated local governments, 62%; and

19 (C) for incorporated cities and towns, 70%.

20 (4) As used in this section, "local government" means a county, a consolidated local government, an
21 incorporated city, and an incorporated town. A local government does not include a tax increment financing
22 district provided for in subsection (6). For purposes of calculating the base year component for a county or
23 consolidated local government, the department shall include the revenue listed in subsection (1) for all special
24 districts within the county or consolidated local government. The county or consolidated local government is
25 responsible for making an allocation from the county's or consolidated local government's share of the
26 entitlement share pool to each special district within the county or consolidated local government in a manner
27 that reasonably reflects each special district's loss of revenue sources listed in subsection (1).

28 (5) (a) The entitlement share pools calculated in this section and the block grants provided for in
29 subsection (6) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for
30 distribution to local governments. Each local government is entitled to a pro rata share of each year's entitlement

1 share pool based on the local government's base component in relation to the base year entitlement share pool.

2 The distributions must be made on a quarterly basis beginning September 15, 2001.

3 (b) (i) For fiscal year 2002, the growth amount is the difference between the fiscal year 2002 entitlement
4 share pool and the base year entitlement share pool. For fiscal year 2002, a county may have a negative base
5 year component. For fiscal year 2003 and each succeeding fiscal year, the growth amount is the difference
6 between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal
7 year. For the purposes of subsection (5)(b)(ii)(A), a county with a negative base year component has a base year
8 component of zero. The growth factor in the entitlement share must be calculated separately for:

9 (A) counties;

10 (B) consolidated local governments; and

11 (C) incorporated cities and towns.

12 (ii) In each fiscal year, the growth amount for counties must be allocated as follows:

13 (A) 50% of the growth amount must be allocated based upon each county's percentage of the base year
14 entitlement share pool for all counties; and

15 (B) 50% of the growth amount must be allocated based upon the percentage that each county's
16 population bears to the state population not residing within consolidated local governments as determined by
17 the latest interim year population estimates from the Montana department of commerce as supplied by the
18 United States bureau of the census.

19 (iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as
20 follows:

21 (A) 50% of the growth amount must be allocated based upon each consolidated local government's
22 percentage of the base year entitlement share pool for all consolidated local governments; and

23 (B) 50% of the growth amount must be allocated based upon the percentage that each consolidated
24 local government's population bears to the state's total population residing within consolidated local governments
25 as determined by the latest interim year population estimates from the Montana department of commerce as
26 supplied by the United States bureau of the census.

27 (iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

28 (A) 50% of the growth amount must be allocated based upon each incorporated city's or town's
29 percentage of the base year entitlement share pool for all incorporated cities and towns; and

30 (B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's

population bears to the state's total population residing within incorporated cities and towns as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(v) In each fiscal year, the amount of the entitlement share pool not represented by the growth amount is distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(vi) For fiscal year 2002, an amount equal to the district court costs identified in subsection (2) must be added to each county government's distribution from the entitlement share pool.

(vii) For fiscal year 2002, an amount equal to the district court fees identified in subsection (1)(d) must be subtracted from each county government's distribution from the entitlement share pool.

(6) (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any block grant. If a tax increment financing district referred to in subsection (6)(b) terminates, then the block grant provided for in subsection (6)(b) terminates.

(b) One-half of the payments provided for in this subsection (6)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection (6)(a), the entitlement share for tax increment financing districts is as follows:

Cascade	Great Falls - downtown	\$468,966
Deer Lodge	TIF District 1	3,148
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	758,359
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	164,660
Gallatin	Bozeman - downtown	34,620
Lewis and Clark	Helena - # 2	731,614
Missoula	Missoula - 1-1B & 1-1C	1,100,507
Missoula	Missoula - 4-1C	33,343
Silver Bow	Butte - uptown	283,801
Yellowstone	Billings	436,815

1 (c) The entitlement share for industrial tax increment financing districts is as follows:

2 (i) for fiscal years 2002 and 2003:

3 Missoula County Airport Industrial \$4,812

4 Silver Bow Ramsay Industrial 597,594;

5 (ii) for fiscal years 2004 and 2005:

6 Missoula County Airport Industrial \$2,406

7 Silver Bow Ramsay Industrial 298,797; and

8 (iii) \$0 for all succeeding fiscal years.

9 (d) The entitlement share for industrial tax increment financing districts referred to in subsection (6)(c)
10 may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a
11 guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the
12 tax increment financing industrial district.

13 (e) One-half of the payments provided for in subsection (6)(c) must be made by July 30, and the other
14 half must be made in December of each year.

15 (7) The estimated base year entitlement share pool and any subsequent entitlement share pool for local
16 governments do not include revenue received from countywide transportation block grants or from countywide
17 retirement block grants.

18 (8) The estimates for the base year entitlement share pool in subsection (1) must be calculated as if
19 the fees in Chapter 515, Laws of 1999, were in effect for all of fiscal year 2001.

20 (9) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(p) is significantly
21 reduced, except through legislative action, the department shall deduct the amount of revenue loss from the
22 entitlement share pool beginning in the succeeding fiscal year and the department shall work with local
23 governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of
24 revenue.

25 (b) For the purposes of subsection (9)(a), a significant reduction is a loss that causes the amount of
26 revenue received in the current year to be less than 95% of the amount of revenue received in the base year.

27 (10) A three-fifths vote of each house is required to reduce the amount of the entitlement share
28 calculated pursuant to subsections (1) through (3).

29 (11) When there has been an underpayment of a local government's share of the entitlement share pool,
30 the department shall distribute the difference between the underpayment and the correct amount of the

entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

(12) A local government may appeal the department's estimation of the base year component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211."

Section 5. Section 15-24-921, MCA, is amended to read:

"15-24-921. Per capita fee to pay expenses of enforcing livestock laws. (1) In addition to appropriations made for those purposes, a per capita fee is authorized and directed to be imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for the payment of bounties on wild animals as provided in 81-7-104.

(2) The per capita fee is due on November 30 of each year. The penalty and interest provisions contained in 15-1-216 apply to late payments of the fee.

~~(2)~~(3) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses, mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates."

Section 6. Section 15-24-925, MCA, is amended to read:

"15-24-925. Reimbursement to department -- transmission of fees to state. (1) The department may withhold ~~2% a percentage~~ 2% of the money received under 15-24-921 as reimbursement for the collection of the fee on livestock. ~~The percentage of money withheld as reimbursement must be~~ UNLESS A DIFFERENT PERCENTAGE OF MONEY TO BE WITHHELD IS mutually agreed upon by the department and the department of livestock on an annual basis.

(2) The department shall designate the amount received from the fee imposed on sheep and the amount received from the fee imposed on all other livestock and shall specify the separate amounts in the report to the department of livestock. The money, when received by the department, must be deposited in an account in the special revenue fund to the credit of the department of livestock. The money in the account must be kept separate from other funds received by the department of livestock."

1 **Section 7.** Section 15-35-108, MCA, is amended to read:

2 **"15-35-108. (Temporary) Disposal of severance taxes.** Severance taxes collected under this chapter
3 must, in accordance with the provisions of 15-1-501, be allocated as follows:

4 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article
5 IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under
6 17-6-203(6) and invested by the board of investments as provided by law.

7 (2) Twelve percent of coal severance tax collections is allocated to the long-range building program
8 account established in 17-7-205.

9 (3) The amount of ~~8.36%~~ 7.75% must be credited to an account in the state special revenue fund to be
10 allocated by the legislature for local impacts, ~~county land planning~~, provision of basic library services for the
11 residents of all counties through library federations and for payment of the costs of participating in regional and
12 national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of
13 the allocation may be made only from this account. Money may not be transferred from this account to another
14 account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be
15 deposited in the general fund.

16 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
17 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
18 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
19 described in 23-1-102.

20 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
21 resource loan debt service fund.

22 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
23 in the capitol and for other cultural and aesthetic projects. Income from this trust fund, excluding unrealized gains
24 and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and
25 aesthetic projects.

26 (7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected under
27 the provisions of this chapter must be credited to the general fund of the state.

28 (b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited
29 in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

30 (i) \$65,000 to the cooperative development center;

(ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

(iii) to the department of commerce:

(A) \$125,000 for a small business development center;

(B) \$50,000 for a small business innovative research program;

(C) \$425,000 for certified communities;

(D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman;

and

(E) \$300,000 for export trade enhancement;

(iv) \$350,000 to the office of economic development for business recruitment and retention; and

(v) \$600,000 to the department of administration for the purpose of reimbursing tax increment financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as documented by the department of revenue. This documentation must be provided to the budget director and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the district.

(c) Beginning July 1, 2001, there is transferred annually from the interest income referred to in subsection (7)(b) \$4.85 million to the research and commercialization state special revenue account created in 90-3-1002. (Terminates June 30, 2005--sec. 10(2), Ch. 10, Sp. L. May 2000.)

15-35-108. (Effective July 1, 2005) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of ~~8.36%~~ 7.75% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, ~~county land planning~~, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of

1 the allocation may be made only from this account. Money may not be transferred from this account to another
2 account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be
3 deposited in the general fund.

4 (4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks
5 acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses,
6 must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas
7 described in 23-1-102.

8 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable
9 resource loan debt service fund.

10 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art
11 in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding
12 unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other
13 cultural and aesthetic projects.

14 (7) All other revenue from severance taxes collected under the provisions of this chapter must be
15 credited to the general fund of the state."

16
17 **SECTION 8. SECTION 15-65-121, MCA, IS AMENDED TO READ:**

18 **"15-65-121. (Temporary) Distribution of tax proceeds.** (1) The proceeds of the tax imposed by
19 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special
20 revenue fund to the credit of the department. The department may spend from that account in accordance with
21 an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing
22 the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of
23 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine
24 the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount
25 from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or
26 funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000 each year
27 must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004.
28 For the fiscal year ending June 30, 2003, the amount of \$1.7 million must be deposited in the state general fund.
29 The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure
30 appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state

1 agencies, or deposited in the heritage preservation and development account is statutorily appropriated, as
2 provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of
3 the department of commerce for tourism promotion and promotion of the state as a location for the production
4 of motion pictures and television commercials, to the Montana historical society, to the university system, and
5 to the department of fish, wildlife, and parks, as follows:

6 (a) 1% to the Montana historical society to be used for the installation or maintenance of roadside
7 historical signs and historic sites;

8 (b) 2.5% to the university system for the establishment and maintenance of a Montana travel research
9 program;

10 (c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that
11 have both resident and nonresident use;

12 (d) 67.5% to be used directly by the department of commerce; and

13 (e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional
14 nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds
15 collected statewide; and

16 (ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort
17 area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional
18 nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area
19 district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated
20 city-county, resort area, or resort area district.

21 (2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for
22 funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an
23 annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit
24 tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district
25 is located.

26 (3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing
27 plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation
28 may be used by the department of commerce for tourism promotion and promotion of the state as a location for
29 the production of motion pictures and television commercials. (Terminates July 1, 2007--sec. 3, Ch. 469, L.
30 2001.)

15-65-121. (Effective July 1, 2007) Distribution of tax proceeds.

(1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials."

Section 9. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-26-1503; 22-3-1004; ~~23-5-136~~; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 69-8-702; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana

1 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state
2 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory
3 appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of
4 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360,
5 L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's
6 unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates
7 July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710
8 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December
9 31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)"

10
11 **Section 10.** Section 23-5-123, MCA, is amended to read:

12 **"23-5-123. Disposal of money confiscated by reason of violation of gambling laws.** All fines,
13 penalties, forfeitures, and confiscated money collected by criminal, civil, or administrative process for a violation
14 of a provision of parts 1 through 8 of this chapter or a rule of the department must be deposited ~~one-half~~ in the
15 state general fund ~~and one-half in the general fund of the county in which the violation occurred.~~"

16
17 **Section 11.** Section 23-5-136, MCA, is amended to read:

18 **"23-5-136. Injunction and other remedies.** (1) If a person has engaged or is engaging in an act or
19 practice constituting a violation of a provision of parts 1 through 8 of this chapter or a rule or order of the
20 department, the department may:

21 (a) upon clear and convincing evidence, issue a temporary order to cease and desist from the gambling
22 activity, act, or practice for a period not to exceed 60 days;

23 (b) following notice and an opportunity for hearing, and with the right of judicial review, under the
24 Montana Administrative Procedure Act:

25 (i) issue a permanent order to cease and desist from the act or practice, which order remains in effect
26 pending judicial review;

27 (ii) place a licensee on probation;

28 (iii) suspend for a period not to exceed 180 days a license or permit for the gambling activity, device,
29 or enterprise involved in the act or practice constituting the violation;

30 (iv) revoke a license or permit for the gambling activity, device, or enterprise involved in the act or

1 practice constituting the violation;

2 (v) impose a civil penalty not to exceed \$10,000 for each violation, whether or not the person is licensed
3 by the department; and

4 (vi) impose any combination of the penalties contained in this subsection (1)(b); and

5 (c) bring an action in district court for relief against the act or practice. The department may not be
6 required to post a bond. On proper showing, the court may:

7 (i) issue a restraining order, a temporary or permanent injunction, or other appropriate writ;

8 (ii) suspend or revoke a license or permit; and

9 (iii) appoint a receiver or conservator for the defendant or the assets of the defendant.

10 (2) The department may issue a warrant for distraint against an operator who fails to pay a civil penalty
11 imposed under subsection (1) or a tax imposed under 23-5-409 or 23-5-610. The department may issue the
12 warrant for the amount of the unpaid penalty or for the amount of the unpaid tax, plus penalty and accumulated
13 interest on the tax, and shall follow the procedures provided in 15-1-701 through 15-1-708.

14 (3) (a) A civil penalty imposed under this section must be collected by the department and distributed
15 as provided in 23-5-123. ~~The local government portion of the penalty payment is statutorily appropriated to the~~
16 ~~department, as provided in 17-7-502, for deposit to the county or municipal treasury.~~

17 (b) If a person fails to pay the civil penalty, the amount due is a lien on the person's licensed premises
18 and gambling devices in the state and may be recovered by the department in a civil action."

19

20 **Section 12.** Section 25-1-201, MCA, is amended to read:

21 **"25-1-201. Fees of clerk of district court.** (1) The clerk of district court shall collect the following fees:

22 (a) at the commencement of each action or proceeding, except a petition for dissolution of marriage,
23 from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor, \$80; for filing a
24 petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150; and for filing a petition
25 for a contested amendment of a final parenting plan, \$120;

26 (b) from each defendant or respondent, on appearance, \$60;

27 (c) on the entry of judgment, from the prevailing party, \$45;

28 (d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five pages of
29 each file, for each request, and 25 cents for each additional page;

30 (e) for each certificate, with seal, \$2;

(f) for oath and jurat, with seal, \$1;

(g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;

(h) for filing and docketing a transcript of judgment or transcript of the docket from all other courts, the fee for entry of judgment provided for in subsection (1)(c);

(i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;

(j) for transmission of records or files or transfer of a case to another court, \$5;

(k) for filing and entering papers received by transfer from other courts, \$10;

(l) for issuing a marriage license, \$30;

(m) on the filing of an application for informal, formal, or supervised probate or for the appointment of a personal representative or the filing of a petition for the appointment of a guardian or conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;

(n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative of the estate of a nonresident decedent, \$55;

(o) for filing a declaration of marriage without solemnization, \$30;

(p) for filing a motion for substitution of a judge, \$100;

(q) for filing a petition for adoption, \$75.

(2) Except as provided in subsections (3), ~~and (5), through (7) and (6)~~, fees collected by the clerk of district court must:

(a) prior to July 1, 2003, be forwarded to the department of revenue for deposit in the state general fund;

and

(b) after June 30, 2003, be deposited in the state general fund as specified by the supreme court administrator.

(3) (a) Of the fee for filing a petition for dissolution of marriage, \$5 must be deposited in the children's trust fund account established in 52-7-102, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714, and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(b) Of the fee for filing a petition for legal separation, \$5 must be deposited in the children's trust fund account established in 52-7-102 and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(4) If the moving party files a statement signed by the nonmoving party agreeing not to contest an

1 amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of district court may
2 not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under
3 subsection (1)(a).

4 (5) ~~The~~ Through June 30, 2003, the clerk of district court shall remit to the credit of the special revenue
5 account established in 42-2-105 \$70 of the filing fee required in subsection (1)(q).

6 (6) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must
7 be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714.

8 (7) The fees collected under subsections (1)(d), (1)(g), and (1)(j) must be deposited in the county district
9 court fund. If a district court fund does not exist, the fees must be deposited in the county general fund for district
10 court operations.

11 (8) Any FILING fees, fines, penalties, or awards collected by the district court or district court clerk not
12 otherwise specifically allocated must be deposited in the state general fund."

13
14 **Section 13.** Section 46-23-1031, MCA, is amended to read:

15 **"46-23-1031. Supervisory fees -- account established.** (1) (a) Except as provided in subsection (1)(b),
16 a probationer or parolee shall pay a supervisory fee of no less than \$120 a year and no more than \$360 a year,
17 prorated at no less than \$10 a month for the number of months under supervision. The fee must be collected
18 by the clerk of the district court with jurisdiction during the probationer's or parolee's period of supervision under
19 this part.

20 (b) The court or the board may reduce or waive the fee or suspend the monthly payment of the fee if
21 it determines that the payment would cause the probationer or parolee a significant financial hardship.

22 (2) (a) There is an account in the state special revenue fund for the fees collected under the provisions
23 of this section.

24 (b) (i) ~~District~~ Prior to July 1, 2003, district court clerks shall deduct from the total fees collected pursuant
25 to subsection (1) the administrative cost of collecting and accounting for the fees and shall deposit the remaining
26 amount into the state special revenue account established in subsection (2)(a).

27 (ii) After June 30, 2003, district court clerks shall deposit the fees into the state special revenue account
28 established in subsection (2)(a) as specified by the supreme court administrator."

29
30 **Section 14.** Section 50-15-301, MCA, is amended to read:

1 **"50-15-301. Marriage certificates.** Before the 10th day of each month, each clerk of a district court
2 shall report marriage certificates filed with him during the preceding calendar month to the department. Reports
3 ~~shall~~ must be on forms and contain information prescribed by the department. The applicant for a marriage
4 license shall pay a recording fee of 25 cents to the officer authorized to issue the marriage license. Beginning
5 July 1, 2003, the recording fee must be forwarded to the state for deposit in the state general fund."

6
7 **Section 15.** Section 53-2-207, MCA, is amended to read:

8 **"53-2-207. Power of department in administering state and federal funds.** In administering or
9 supervising any state or federal funds appropriated or made available to the department for public assistance
10 purposes, the department ~~has the authority to~~ may:

11 ~~(1) require the county to pay an administrative fee to the state general fund for the purpose of~~
12 ~~reimbursing the department, in part, for the costs of administering and providing public assistance to county~~
13 ~~residents in need;~~

14 ~~(2)(1)~~ make use of all legal processes to enforce the standards prescribed for public assistance
15 purposes by the department; and

16 ~~(3)(2)~~ require that each part of the public assistance laws be in effect in all counties of the state."
17

18 **Section 16.** Section 61-3-201, MCA, is amended to read:

19 **"61-3-201. Transfer of interest -- cancellation of erroneous certificate of ownership or**
20 **registration.** (1) Upon a transfer of any interest in a motor vehicle registered under the provisions of this chapter,
21 the person whose interest is to be transferred shall ~~write his signature with pen and ink upon~~ sign the certificate
22 of ownership issued for the vehicle in the appropriate space provided, and the signature must be acknowledged
23 before the county treasurer, a deputy county treasurer, an elected official authorized to acknowledge signatures,
24 an employee of the department, or a notary public.

25 (2) Within 20 calendar days after endorsement, the transferee shall forward both the endorsed
26 certificate of ownership with the odometer mileage statement required under 61-3-206 and the certificate of
27 registration, together with the information required under 61-3-202, to the county treasurer, who shall forward
28 them to the department. The department may not issue a certificate of ownership or certificate of registration until
29 the outstanding certificates are surrendered to that office or their loss is established to its reasonable satisfaction.
30 Failure to make application within the 20-day grace period subjects the transferee to a penalty of \$10. The

1 county treasurer shall collect the penalty at the time of registration and forward the penalty fee to the department
2 of revenue for deposit in the state general fund. The penalty is in addition to the fees otherwise provided by law.
3 If the transferee does not make application within 25 days, a creditor or secured party may pay the fees for the
4 transfer of title and filing of security interest or lien in order to have title transferred to the transferee and have
5 the security interest or lien filed. The creditor or secured party is not liable for the penalty, registration fees, or
6 taxes. The department shall return the certificate of title to the county treasurer as provided in 61-3-103(1). When
7 the certificate of ownership is returned by the department to the county treasurer, the treasurer shall hold the
8 certificate of ownership until the vehicle is properly registered.

9 (3) In the event of a transfer by operation of law of any interest in a motor vehicle as upon inheritance,
10 devise, or bequest, order in bankruptcy or insolvency, execution sale, repossession upon default in the
11 performance of the terms of a lease or executory sales contract, or otherwise than by voluntary act of the person
12 whose title or interest is transferred, the executor, administrator, receiver, trustee, sheriff, or other representative
13 or successor in interest of the person whose interest is transferred shall forward to the department an application
14 for a certificate of ownership in the form required by the department, together with a verified or certified
15 statement of the transfer of interest. The statement must set forth the reason for the involuntary transfer, the
16 interest transferred, the name of the person to whom the interest is to be transferred, the process of procedure
17 effecting the transfer, and other information requested by the department. Evidence and instruments otherwise
18 required by law to effect a transfer of legal or equitable title to or an interest in chattels ~~as may be required in~~
19 ~~such cases~~ must be furnished with the statement. If the department is satisfied that the transfer is regular and
20 that all formalities required by law have been complied with, it shall send to the owner, conditional sales vendor,
21 lessor, mortgagee, and other lienor, as shown by its records, notice of the intended transfer and, not less than
22 5 days after sending notice, shall issue a new certificate of ownership and certificate of registration to the
23 transferee. The notice required by this section is complied with by deposit in the U.S. mail of the notice, postage
24 prepaid, addressed to the person at the respective address shown on its records.

25 (4) When the vehicle certificate of ownership that is involuntarily transferred is not registered in this
26 state, the procedure in subsection (3) must be followed in applying for a new certificate of ownership and
27 certificate of registration; ~~however~~ However, in lieu of the statement required in subsection (3), the department
28 may accept an affidavit of repossession on the form provided by the state in which a lien has been perfected
29 and the department need not send notice of intended transfer and shall issue a new certificate of ownership and
30 a new certificate of registration to the person entitled to the certificates.

(5) (a) If the owner of one or more motor vehicles, trailers, semitrailers, or housetrailer registered under this chapter and not exceeding a combined value of \$15,000 dies without leaving other property necessitating the procuring of letters of administration or letters testamentary, the surviving spouse or other heir unless the property is by will otherwise bequeathed may secure transfer of the decedent's certificate of ownership and the certificate of registration for the vehicle.

(b) The person seeking transfer of the certificate of ownership shall file an affidavit with the department setting forth the fact of survivorship and the name and address of any other heirs and other facts as are necessary under subsection (5)(a) to entitle the affiant to a transfer.

(c) The department is authorized to transfer the certificate of ownership and certificate of registration, subject to all security interests shown by its records, upon receipt of an affidavit showing that the affiant is entitled to a transfer under the provisions of subsection (5)(a).

~~(6) Nothing in subsection~~ Subsection (5) prevents ~~does not prevent~~ a secured party from assigning ~~his~~ the secured party's interest in a motor vehicle registered under the provisions of this chapter to any other person without the consent of and without affecting the interest of the holder of the certificate of ownership and certificate of registration. Upon any assignment by a secured party of ~~his~~ the secured party's security interest in any motor vehicle registered under this chapter, a copy of the assignment must be filed with the department and a record of the assignment must be made upon in its records.

(7) The certificate of ownership is valid until canceled by the department upon a transfer of any interest shown in the certificate, and annual renewal is not needed.

(8) (a) Upon its determination that a certificate of ownership or a registration receipt contains an error or that the applicant has paid the required fees and taxes with an insufficient funds check and if the department has been notified of that fact by the county attorney, the department may cancel the certificate of ownership or receipt and, in the case of an error, issue a replacement for the erroneous certificate or receipt if the owner has returned the certificate or receipt to be canceled. If the owner fails to return to the department the certificate of ownership, the registration receipt, or the license plate, the department shall direct a peace officer or department employee to secure and return the certificate, receipt, or license plate to the department.

(b) Any person who fails to return a certificate of ownership or a registration receipt that contains an error or that has been canceled by the department ~~due to~~ because of an insufficient funds check, as provided in subsection (8)(a), after receiving actual notice of the department's demand for the return of the certificate or receipt, as required by subsection (8)(a), is guilty of a misdemeanor and upon conviction may be fined an

1 amount not to exceed \$500."

2

3 **Section 17.** Section 61-3-317, MCA, is amended to read:

4 **"61-3-317. New registration required for transferred vehicle -- grace period -- penalty -- display**
5 **of proof of purchase.** Except as otherwise provided in this section, the new owner of a transferred motor
6 vehicle has a grace period of 20 calendar days from the date of purchase to make application and pay the
7 registration fees, fees in lieu of tax and other fees required by part 5 of this chapter, and local option taxes, if
8 applicable, unless the fees and taxes have been paid for the year or for the 24-month period as provided in
9 61-3-315, as if the vehicle were being registered for the first time in that registration year. If the motor vehicle
10 was not purchased from a licensed motor vehicle dealer as provided in this chapter, it is not a violation of this
11 chapter or any other law for the purchaser to operate the vehicle upon the streets and highways of this state
12 without a certificate of registration during the 20-day period, provided that at all times during that period, a
13 vehicle purchase sticker in a form prescribed and furnished by the department, obtained from the county
14 treasurer or a law enforcement officer as authorized by the department, reciting the date of purchase is clearly
15 displayed in the rear window of the motor vehicle. Registration and license fees collected under 61-3-321 are
16 not required to be paid when a license plate is transferred under 61-3-335 and this section. Failure to make
17 application within the time provided in this section subjects the purchaser to a penalty of \$10. The penalty must
18 be collected by the county treasurer at the time of registration and is in addition to the fees otherwise provided
19 by law. The penalty must be deposited in the state general fund."

20

21 **Section 18.** Section 61-3-321, MCA, is amended to read:

22 **"61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration**
23 **fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of
24 motor vehicles, trailers, and semitrailers, in accordance with this chapter, as follows:

25 (a) light vehicles under 2,850 pounds, \$13.75;

26 (b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25;

27 (c) motor vehicles registered pursuant to 61-3-411 that are:

28 (i) over 2,850 pounds, \$10; and

29 (ii) under 2,850 pounds, \$5;

30 (d) off-highway vehicles registered pursuant to 23-2-817, \$9;

(e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of 1 ton, \$18.75;

(f) logging trucks less than 1 ton, \$23.75;

(g) motor homes, \$22.25;

(h) motorcycles and quadricycles, \$9.75;

(i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;

(j) trailers and semitrailers in excess of 6,000 pounds, other than trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, \$16.25;

(k) travel trailers, \$11.75; and

(l) recreational vehicles, \$3.50.

(2) If a motor vehicle, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.

(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(2) are issued.

(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.

(6) (a) Except as provided in ~~subsection (6)(b) and 61-3-562~~ and subsection (6)(b) of this section, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.

(b) The following vehicles are not subject to the fee imposed in subsection (6)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.

(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or

1 61-3-335.

2 (8) A person qualifying under 61-3-332(10)(d) is exempt from the fees required under this section.

3 (9) Except as otherwise provided in this section, revenue collected under this section must be deposited
4 in the state general fund."

5

6 **Section 19.** Section 61-3-537, MCA, is amended to read:

7 **"61-3-537. (Temporary) Local option vehicle tax.** (1) A county may impose a local vehicle tax on
8 vehicles subject to the registration fee imposed under 61-3-560 through 61-3-562 at a rate of up to 0.7% of the
9 value determined under 61-3-503 or a local flat fee, in addition to the fee imposed under 61-3-560 through
10 61-3-562.

11 (2) A local vehicle tax or flat fee is payable at the same time and in the same manner as the fee
12 imposed under 61-3-560 through 61-3-562. ~~The first priority of the local vehicle tax or flat fee is for district court~~
13 ~~funding, and the tax or fee is distributed as follows:~~

14 (a) 50% to the county; and

15 (b) the remaining 50% to the county and the incorporated cities and towns within the county,
16 apportioned on the basis of population. The distribution to a city or town is determined by multiplying the amount
17 of money available by the ratio of the population of the city or town to the total county population. The distribution
18 to the county is determined by multiplying the amount of money available by the ratio of the population of
19 unincorporated areas within the county to the total county population.

20 (3) The governing body of a county may impose, revise, or revoke a local vehicle tax or flat fee if the
21 imposition, revision, or revocation of the tax or fee is approved by the electorate of the county. The imposition,
22 revision, or revocation of the tax or fee is effective on January 1 following its approval by the electorate. The
23 county governing body by resolution may provide for the distribution of the local vehicle tax or flat fee.
24 (Terminates June 30, 2005--sec. 2, 3, Ch. 217, L. 1995.)

25 **61-3-537. (Effective July 1, 2005) Local option vehicle tax.** (1) A county may impose a local vehicle
26 tax on vehicles subject to the registration fee imposed under 61-3-560 through 61-3-562 at a rate of up to 0.7%
27 of the value determined under 61-3-503, in addition to the fee imposed under 61-3-560 through 61-3-562.

28 (2) A local vehicle tax or flat fee is payable at the same time and in the same manner as the fee
29 imposed under 61-3-560 through 61-3-562 ~~and is distributed in the same manner as provided in 61-3-509, based~~
30 ~~on the registration address of the owner of the motor vehicle.~~

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax if the imposition, revision, or revocation of the tax is approved by the electorate of the county. The imposition, revision, or revocation of the tax is effective on January 1 following its approval by the electorate."

Section 20. Section 61-3-562, MCA, is amended to read:

"61-3-562. Permanent registration -- transfer of vehicle ownership -- rules. (1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-561, may permanently register the vehicle upon payment of a \$50 registration fee, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed for each of the following:

- (i) junk vehicle disposal fees under 15-1-122(3)(a);
- (ii) weed control fees under 15-1-122(3)(b);
- (iii) the former county motor vehicle computer fees under 61-3-511;
- (iv) the local option vehicle tax or flat fee on vehicles under 61-3-537;
- (v) if applicable, license plate fees under 61-3-332 and renewal fees for personalized plates under 61-3-406;
- (vi) if applicable, the amateur radio operator license plate fee under 61-3-422;
- (vii) if applicable, the annual scholarship donation fee under 61-3-465; and
- (viii) senior citizens and persons with disabilities transportation services fees as provided in 61-3-321(6).

(b) A person who permanently registers a vehicle as provided in subsection (1)(a) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (1)(b) from each motor vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a vehicle that is permanently registered under this section is not subject to additional fees under 61-3-561 or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall:

- (a) distribute the \$50 registration fee collected under this section as provided in 61-3-509;

(b) once each month, remit to the department of revenue the amounts collected under this section, other than the local option vehicle tax or flat fee, for the purposes of 61-3-321(3) and 61-10-201. The county treasurer shall retain the local option vehicle tax or flat fee.

(5) (a) The permanent registration of a vehicle allowed by this section may not be transferred to a new owner. If the vehicle is transferred to a new owner, the department shall cancel the vehicle's permanent registration.

(b) Upon transfer of a vehicle registered under this section to a new owner, the new owner shall apply for a certificate of ownership under 61-3-201 and file an application for registration under 61-3-303. (Subsection (1)(b) terminates on occurrence of contingency--sec. 24, Ch. 191, L. 2001.)"

Section 21. Section 61-4-310, MCA, is amended to read:

"61-4-310. Single movement permit -- fee -- limitation -- county treasurer to issue. (1) (a) A vehicle, subject to license under this title, or a mobile home may be moved unladen upon the highways of this state from a point within the state to a point of destination. The county treasurer at the point of the origin of the movement shall issue a special permit for the vehicle in lieu of fees required under 61-3-321 and part 2 of chapter 10 of this title upon application presented to the county treasurer in a form provided by the department, upon exhibiting to the county treasurer proof of ownership and evidence that the personal property taxes on the vehicle, if any are due, have been paid, and upon payment of a fee of \$5. The fee must be forwarded to the department of revenue for deposit in the state general fund. The permit is not in lieu of fees and permits required under 61-4-301 and 61-4-302.

(b) For purposes of this section, a mobile home is considered unladen when all items are removed except the equipment originally installed by the manufacturer and the personal effects of the owners.

(2) The permit is for the transit of the vehicle or mobile home only, and the vehicle or mobile home may not at the time of the transit be used for the transportation of any persons, except the driver, or any property for compensation or otherwise and is for one transit only between the points of origin and destination as set forth in the application and shown on the permit.

(3) A junk vehicle being driven or towed to a motor vehicle wrecking facility or a motor vehicle graveyard for disposal is exempt from the provisions of this section. The definitions in 75-10-501 apply to this subsection."

Section 22. Section 61-10-148, MCA, is amended to read:

1 **"61-10-148. Disposition of fines and forfeited bonds.** (1) Except as provided in 61-12-701 and
2 subsection (2) of this section, all the money collected as fines and forfeited bonds for violations of Title 61,
3 chapter 10, must be remitted monthly by the county treasurer to the department of revenue, as provided in
4 15-1-504, for deposit in the state general fund. This subsection does not apply to fines and forfeited bonds paid
5 to justices' courts.

6 (2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred
7 on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines
8 and forfeited bonds must be ~~distributed to the county treasurer for deposit in the county road~~ deposited in the
9 state general fund."

10
11 **Section 23.** Section 61-12-701, MCA, is amended to read:

12 **"61-12-701. Disposition of fines and forfeitures.** ~~Except as provided in 61-10-148(2), all~~ All fines and
13 forfeitures collected in any court, except a justice's court, for violation of the laws and regulations relating to the
14 use of state highways and the operation of vehicles on state highways, if the apprehension or arrest was by a
15 highway patrol officer, must be paid to the department of revenue for credit to the state general fund or, if the
16 apprehension or arrest was by a sheriff or deputy sheriff, must be paid to the county treasurer for deposit in the
17 county general fund, except for that portion of the fines otherwise allocated by law, which must be paid into the
18 appropriate accounts in the state special revenue fund."

19
20 **Section 24.** Section 80-2-230, MCA, is amended to read:

21 **"80-2-230. Collection of fees -- release of lien.** (1) The department of revenue shall collect all fees
22 imposed under this part. The department of revenue shall deposit the money with the state treasurer. The
23 department of revenue shall use due diligence in making the collections of the fees provided in this part.

24 (2) All insurance fees, whether imposed against land or in the form of special assessments secured by
25 crop liens, are payable in full and not in semiannual payments on or before November 30 of each year in which
26 the fees are imposed.

27 (3) When the amount due on any hail insurance secured by a crop lien is paid, the department of
28 revenue shall promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid
29 with the date of payment. The endorsement is considered a satisfaction and release of the lien.

30 (4) The penalty and interest provisions of 15-1-216 apply to late payments of fees imposed under this

1 part."

2

3 **Section 25.** Section 244, Chapter 574, Laws of 2001, is amended to read:

4 **"Section 244. School district block grants.** (1) (a) The office of public instruction shall provide a block
5 grant to each school district based on the revenue received by each district in fiscal year 2001 from vehicle taxes
6 and fees, corporate license taxes paid by financial institutions, aeronautics fees, state land payments in lieu of
7 taxes, and property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws
8 of 1999.

9 (b) Block grants must be calculated using the electronic reporting system that is used by the office of
10 public instruction and school districts. The electronic reporting system must be used to allocate a portion of the
11 block grant amount into each district's fiscal year 2002 budget as an anticipated revenue source by fund.

12 (c) With the exception of vehicle taxes and fees, the office of public instruction shall use the amount
13 actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its calculation of the block
14 grant for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, the office of public instruction shall
15 use 93.4% of the amount actually received in fiscal year 2001 in calculating the block grant for fiscal year 2002.

16 (2) If the ~~biennial~~ fiscal year 2003 appropriation provided in [section 248(1)] is insufficient to fund the
17 school district block grants in fiscal year 2003 at the fiscal year 2002 level, the office of public instruction shall
18 prorate the block grants to meet the remaining appropriation. School districts shall anticipate the prorated block
19 grant amounts provided by the office of public instruction in their budgets for fiscal year 2003.

20 (3) Each year, 70% of each district's block grant must be distributed in November and 30% of each
21 district's block grant must be distributed in May at the same time that guaranteed tax base aid is distributed. If
22 ~~the appropriation for block grants is greater than or less than the amount received by schools from the sources~~
23 ~~enumerated in subsection (1), the office of public instruction shall prorate the amount appropriated based upon~~
24 ~~the fiscal year 2001 revenue.~~

25 (4) The average ~~amount~~ of the block grants in fiscal years 2002 and 2003 must be increased by 0.76%
26 in fiscal year 2004 and in each succeeding fiscal year."

27

28 **Section 26.** Section 245, Chapter 574, Laws of 2001, is amended to read:

29 **"Section 245. Countywide school retirement block grants.** (1) The office of public instruction shall
30 distribute one-half of the amount appropriated for countywide school retirement in November and the remainder

1 in May. The total amount for each county is as follows:

2		FY 2002	FY2002	FY2003	FY2003
3		Elementary	High School	Elementary	High School
4		Payment	Payment	Payment	Payment
5	Beaverhead	\$86,692	\$50,789	\$87,354 <u>\$55,503</u>	\$51,175 <u>\$41,981</u>
6	Big Horn	62,668	36,963	63,144 <u>95,018</u>	37,244 <u>33,837</u>
7	Blaine	61,160	10,193	61,624 <u>46,318</u>	40,271 <u>81,109</u>
8	Broadwater	0	92,686	0	93,390 <u>34,949</u>
9	Carbon	43,451	82,110	43,782 <u>72,602</u>	82,734 <u>58,957</u>
10	Carter	9,751	5,453	9,825 <u>8,478</u>	5,495 <u>6,155</u>
11	Cascade	349,056	192,848	351,709 <u>282,266</u>	194,314 <u>142,282</u>
12	Chouteau	75,384	41,034	75,957 <u>58,455</u>	41,346 <u>29,474</u>
13	Custer	78,925	36,930	79,525 <u>57,608</u>	37,211 <u>32,128</u>
14	Daniels	0	37,994	0	38,283 <u>36,083</u>
15	Dawson	85,568	38,722	86,219 <u>64,693</u>	39,016 <u>24,827</u>
16	Deer Lodge	39,980	17,059	40,284 <u>34,455</u>	17,189 <u>16,807</u>
17	Fallon	0	0	0	0 <u>30,444</u>
18	Fergus	119,028	78,809	119,932 <u>90,464</u>	79,408 <u>55,527</u>
19	Flathead	558,861	296,410	563,108 <u>530,274</u>	298,662 <u>268,731</u>
20	Gallatin	383,035	181,743	385,946 <u>537,244</u>	183,125 <u>107,717</u>
21	Garfield	12,337	10,170	12,431 <u>12,100</u>	10,247 <u>4,620</u>
22	Glacier	79,924	34,016	80,532 <u>106,815</u>	34,275 <u>10,494</u>
23	Golden Valley	0	16,716	0	16,843 <u>14,492</u>
24	Granite	14,074	48,026	14,180 <u>12,523</u>	48,391 <u>30,727</u>
25	Hill	142,867	82,538	143,953 <u>59,593</u>	83,165 <u>35,211</u>
26	Jefferson	116,679	59,523	117,565 <u>143,901</u>	59,976 <u>59,690</u>
27	Judith Basin	6,149	21,359	6,196 <u>4,744</u>	21,521 <u>30,198</u>
28	Lake	173,584	139,990	174,903 <u>156,485</u>	141,054 <u>103,365</u>
29	Lewis & Clark	344,112	211,726	346,728 <u>370,958</u>	213,335 <u>173,847</u>
30	Liberty	20,144	16,786	20,297 <u>3,067</u>	16,914 <u>31,953</u>

1	Lincoln	73,001	98,835	73,556 <u>61,499</u>	99,586 <u>87,710</u>
2	Madison	0	103,163	0 <u>4,891</u>	103,947 <u>19,788</u>
3	McCone	23,214	15,824	23,390 <u>21,778</u>	15,945 <u>14,004</u>
4	Meagher	13,654	10,678	13,758 <u>9,250</u>	10,759 <u>9,492</u>
5	Mineral	0	32,206	0	32,451 <u>33,292</u>
6	Missoula	487,129	362,756	490,832 <u>587,637</u>	365,513 <u>357,669</u>
7	Musselshell	30,675	21,577	30,908 <u>48,959</u>	21,741 <u>41,250</u>
8	Park	154,192	81,696	155,364 <u>135,256</u>	82,317 <u>78,135</u>
9	Petroleum	0	16,897	0	17,026 <u>9,510</u>
10	Phillips	10,502	95,084	10,582 <u>103,747</u>	95,806 <u>54,728</u>
11	Pondera	79,805	60,307	80,411 <u>18,821</u>	60,765 <u>47,629</u>
12	Powder River	18,815	15,011	18,958 <u>0</u>	15,125 <u>0</u>
13	Powell	69,695	22,666	70,225 <u>71,420</u>	22,838 <u>30,458</u>
14	Prairie	0	26,791	0	26,995 <u>21,945</u>
15	Ravalli	85,333	169,769	85,981 <u>2,062</u>	171,059 <u>40,316</u>
16	Richland	83,671	30,302	84,307 <u>15,500</u>	30,533 <u>26,650</u>
17	Roosevelt	71,090	60,329	71,630 <u>96,278</u>	60,787 <u>61,038</u>
18	Rosebud	359,662	286,411	362,395 <u>475,055</u>	288,588 <u>126,246</u>
19	Sanders	203,863	127,694	205,413 <u>197,286</u>	128,665 <u>14,442</u>
20	Sheridan	0	46,231	0	46,583 <u>47,628</u>
21	Silver Bow	249,821	141,541	251,719 <u>193,304</u>	142,617 <u>119,358</u>
22	Stillwater	91,487	75,926	92,182 <u>91,185</u>	76,503 <u>51,769</u>
23	Sweet Grass	36,996	36,327	37,277 <u>24,214</u>	36,603 <u>12,316</u>
24	Teton	57,760	41,547	58,199 <u>45,217</u>	41,863 <u>40,769</u>
25	Toole	43,323	51,399	43,652 <u>36,109</u>	51,790 <u>73,362</u>
26	Treasure	0	18,947	0	19,091 <u>16,243</u>
27	Valley	15,824	90,532	15,944 <u>10,558</u>	91,220 <u>143,204</u>
28	Wheatland	20,946	12,103	21,105 <u>15,031</u>	12,195 <u>12,109</u>
29	Wibaux	0	14,585	0	14,696 <u>25,103</u>
30	Yellowstone	1,125,488	643,136	1,134,042 <u>1,070,887</u>	648,024 <u>612,203</u>

1 Total 6,269,374 4,650,865 ~~6,317,022~~ 6,139,506 ~~4,686,212~~ 3,723,973

2 (2) The average ~~amount~~ of the block grants in fiscal years 2002 and 2003 must be increased by 0.76%
3 in fiscal year 2004 and in each succeeding fiscal year."

4

5 **Section 27.** Section 246, Chapter 574, Laws of 2001, is amended to read:

6 **"Section 246. Countywide school transportation block grants.** (1) The office of public instruction
7 shall distribute one-half of the amount appropriated for countywide school transportation in November and the
8 remainder in May. The total amount for each county is as follows:

	FY 2002	FY2003
	Payment	Payment
11 Beaverhead	\$29,924	\$30,151 <u>\$26,197</u>
12 Big Horn	43,635	43,966 <u>52,920</u>
13 Blaine	3,727	3,756 <u>13,384</u>
14 Broadwater	14,935	15,048 <u>21,769</u>
15 Carbon	23,493	23,671 <u>23,040</u>
16 Carter	8,675	8,741 <u>6,457</u>
17 Cascade	84,382	85,024 <u>5,760</u>
18 Chouteau	33,063	33,314 <u>26,028</u>
19 Custer	7,069	7,123 <u>6,272</u>
20 Daniels	16,771	16,899 <u>12,993</u>
21 Dawson	21,356	21,518 <u>14,001</u>
22 Deer Lodge	14,392	14,502 <u>14,482</u>
23 Fallon	20,447	20,603 <u>25,422</u>
24 Fergus	58,765	59,211 <u>30,799</u>
25 Flathead	89,846	90,529 <u>77,223</u>
26 Gallatin	81,262	81,879 <u>90,930</u>
27 Garfield	17,284	17,415 <u>7,135</u>
28 Glacier	37,740	38,027 <u>34,300</u>
29 Golden Valley	3,547	3,574 <u>3,591</u>
30 Granite	8,153	8,215 <u>6,726</u>

1	Hill	46,409	46,762 <u>17,070</u>
2	Jefferson	36,329	36,605 <u>34,792</u>
3	Judith Basin	16,878	17,007 <u>20,322</u>
4	Lake	69,756	70,286 <u>52,163</u>
5	Lewis & Clark	58,287	58,730 <u>69,557</u>
6	Liberty	15,874	15,995 <u>12,731</u>
7	Lincoln	50,388	50,771 <u>0</u>
8	Madison	21,263	21,424 <u>14,174</u>
9	McCone	12,498	12,593 <u>11,856</u>
10	Meagher	4,237	4,269 <u>6,366</u>
11	Mineral	7,478	7,534 <u>9,038</u>
12	Missoula	93,969	94,683 <u>94,480</u>
13	Musselshell	12,945	13,043 <u>20,627</u>
14	Park	31,904	32,147 <u>32,394</u>
15	Petroleum	9,854	9,929 <u>6,086</u>
16	Phillips	31,080	31,316 <u>43,852</u>
17	Pondera	22,599	22,771 <u>18,308</u>
18	Powder River	21,304	21,465 <u>0</u>
19	Powell	16,622	16,748 <u>14,581</u>
20	Prairie	8,544	8,609 <u>4,809</u>
21	Ravalli	60,579	61,040 <u>24,889</u>
22	Richland	32,995	33,246 <u>30,868</u>
23	Roosevelt	25,740	25,935 <u>40,216</u>
24	Rosebud	97,820	98,564 <u>89,433</u>
25	Sanders	71,581	72,125 <u>173,489</u>
26	Sheridan	12,946	13,045 <u>17,460</u>
27	Silver Bow	21,872	22,038 <u>18,381</u>
28	Stillwater	27,358	27,566 <u>15,344</u>
29	Sweet Grass	14,996	15,110 <u>6,340</u>
30	Teton	28,202	28,416 <u>20,759</u>

1 Toole	17,208	17,339 <u>15,592</u>
2 Treasure	5,446	5,487 <u>5,073</u>
3 Valley	26,677	26,880 <u>36,436</u>
4 Wheatland	9,142	9,212 <u>6,386</u>
5 Wibaux	6,198	6,246 <u>8,816</u>
6 Yellowstone	149,314	150,448 <u>145,322</u>
7 Total	1,814,759	1,828,551 <u>1,637,437</u>

8 (2) The average ~~amount~~ of the block grants in fiscal years 2002 and 2003 must be increased by 0.76%
 9 in fiscal year 2004 and in each succeeding fiscal year."

10

11 **Section 28.** Section 248, Chapter 574, Laws of 2001, is amended to read:

12 **"Section 248. Appropriations.** (1) There is appropriated from the general fund to the office of public
 13 instruction ~~\$114,394,755~~ \$52,407,206 for the ~~biennium~~ fiscal year ending June 30, 2003, for the purpose of
 14 school district block grants as provided in [section 244].

15 (2) There is appropriated from the general fund to the office of public instruction \$10,920,239 for fiscal
 16 year 2002 and ~~\$11,003,234~~ \$9,863,479 for fiscal year 2003 for the purpose of countywide school retirement
 17 block grants as provided in [section 245].

18 (3) There is appropriated from the general fund to the office of public instruction \$1,814,759 for fiscal
 19 year 2002 and ~~\$1,828,551~~ \$1,637,437 for fiscal year 2003 for the purpose of countywide school transportation
 20 block grants as provided in [section 246].

21 (4) ~~If Senate Bill No. 176 is passed and approved, then there~~ There is appropriated from the general
 22 fund to the supreme court for fiscal year 2003 \$18,389,345 ~~the amount deducted from the entitlement share~~
 23 ~~payment in [section 1(2)] plus an additional 6%. The amount appropriated is up to \$25 million to be used for the~~
 24 ~~purpose of implementing district court operations as directed in Senate Bill No. 176, enacted as Chapter 585,~~
 25 Laws of 2001."

26

27 **Section 29.** Section 249, Chapter 574, Laws of 2001, is amended to read:

28 **"Section 249. Inclusion of appropriations in budget.** The governor shall include ~~the appropriation~~
 29 ~~in [section 248(1)]~~ \$107,395,032 in the biennial present law base budget prepared for the 58th legislative session
 30 for continued funding of the school district budget items funded by that appropriation."

Section 30. Section 250, Chapter 574, Laws of 2001, is amended to read:

"Section 250. Reservation of funds. The amount of ~~\$7,447,018~~ \$12,210,205 must be reserved for countywide retirement and countywide transportation in fiscal year 2004, and the amount of ~~\$4,812,299~~ \$12,303,002 must be reserved for countywide retirement and countywide transportation in fiscal year 2005."

Section 31. Section 257, Chapter 574, Laws of 2001, is amended to read:

"Section 257. Retroactive applicability. (1) [Section 253(2)] applies retroactively, within the meaning of 1-2-109, to July 1, 2000.

(2) [Section 143] applies retroactively, within the meaning of 1-2-109, to April 1, ~~2000~~ 2001."

NEW SECTION. **Section 32. Appropriation.** There is appropriated \$220,000 from the state general fund to the department of revenue for providing a reimbursement to the city of Bozeman for accrued gaming revenue.

NEW SECTION. SECTION 33. LODGING FACILITY USE TAX -- INTENT. THE \$1.7 MILLION IN LODGING FACILITY USE TAX ALLOCATED TO THE GENERAL FUND IN 15-65-121 IS INTENDED TO BE TRANSFERRED TO THE GENERAL FUND FROM MONEY HELD IN A RESERVE ACCOUNT IN THE DEPARTMENT OF COMMERCE.

NEW SECTION. **Section 34. Repealer.** Sections 61-4-311 and 90-1-108, MCA, and section 4, Chapter 749, Laws of 1991, section 1, Chapter 217, Laws of 1993, and sections 2 and 3, Chapter 217, Laws of 1995, are repealed.

NEW SECTION. **Section 35. Effective date.** [This act] is effective on passage and approval..

NEW SECTION. **Section 36. Retroactive applicability.** (1) [Section ~~31-30~~ 31] applies retroactively, within the meaning of 1-2-109, to April 1, 2001.

(2) [~~Sections 4, 5, 8, 15, 16, 18, 20, 21, and 33~~] [~~SECTIONS 3, 4, 7, 14, 15, 17, 19, 20, AND 32~~ 15, 16, 18, 20, 21, AND 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001.

(3) [~~Sections 1 through 3, 6, 12, 17, 19, 22, 23, and 25 through 30~~] [~~SECTIONS 1, 2, 5, 11, 16, 18, 21, 22,~~

1 ~~AND 24 THROUGH 29~~ 8, 12, 17, 19, 22, 23, AND 25 THROUGH 30] apply retroactively, within the meaning of 1-2-109,
2 to July 1, 2002.

3 - END -